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## From the Deputy HRO

### Interest Based Bargaining

One technique used in negotiating issues between management and employees is called Interest Based Bargaining (IBB) and I want to take time in this column to explain it so that if you are not using it, you can at least consider it the next time you have an issue that needs resolution.

First, it is helpful to state that the opposite of IBB is position based bargaining. This is where each side takes a position, argues its merit, and then makes concessions to get to a compromise. We've all done this when we have purchased a car, for example. Though it is common, it is not the most effective, especially if a habitual relationship is to be maintained,

such as between labor and management.

IBB, on the other hand, seeks to find common ground between the two parties so that mutual interests and goals can be met. Techniques such as brainstorming, information sharing, and open communication are key to successful IBB. So why would you do this? Because these techniques generate options that may not have been considered before.

Open communication will allow you to get to the root issue of each side's position. To do this, there has to be an environment where each side's opinion is honestly considered, active listening is employed, and a focus and satisfying as many needs as possible is the stan-

dard. This is a cooperative problem solving environment that can only exist when if each side is committed to what is often called "win-win bargaining".

Obviously, there are times when IBB is not appropriate due to time and resource constraints; administrative, regulatory, or legal requirements; and/or adverse effects on the rest of the workforce. But when possible, every attempt should be made to include all stakeholders in the decision making process to ensure ownership of the final decision.

**POC: LTC Keith  
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**We're on the Nevada  
National Guard public  
website at**

[http://www.nv.ngb.army.mil/  
nvng/index.cfm/  
departments/human-  
resources/](http://www.nv.ngb.army.mil/nvng/index.cfm/departments/human-resources/)

**Look for us also on the  
Army National Guard  
Intranet and the Air  
National Guard  
Sharepoint!**

### Furlough Information

An administrative furlough is a planned event by an agency which is designed to absorb reductions necessitated by downsizing, reduced funding, lack of work, or any budget situation other than a lapse in appropriations. Furloughs that would potentially result from sequestration would generally be considered administrative furloughs.

#### Furlough Questions:

May an employee volunteer to do his or her job on a nonpay basis during any hours or days designated as furlough time off?

A. No. Unless otherwise authorized by law, an agency may not accept the voluntary services of an employee. (See 31 U.S.C. 1342.)

May employees take other jobs during a period designated as furlough time off?

A. While on furlough time off, an individual remains an employee of the Federal Government. Therefore, executive branch-wide standards of ethical conduct and rules regarding outside employment continue to apply when an individual is furloughed (specifically, the executive branch-wide standards of ethical conduct at 5 CFR part 2635). In addition, there are specific statutes that prohibit certain outside activities, and agency-

specific supplemental rules that require prior approval of, and sometimes prohibit, outside employment. Therefore, before engaging in outside employment, an employee should review these regulations and then consult his or her agency ethics official to learn if there are any agency-specific supplemental rules governing the employee.

May agencies deny or delay within-grade or step increases for General Schedule and Federal Wage System employees during a furlough?

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## HRO MISSION STATEMENT

The Human Resources Office (HRO) is a consolidated office that provides personnel, manpower management, and administrative support service for federal full-time personnel programs. The office serves as The Adjutant General's single point of control for managing and administering the Nevada Army National Guard and the Nevada Air National Guard full-time personnel programs.

A. It depends on the length of the furlough. Within-grade and step increases for General Schedule (GS) and Federal Wage System employees are awarded on the basis of length of service and individual performance. Such increases may not be denied or delayed solely because of lack of funds. However, extended periods of nonpay status (e.g., because of a furlough for lack of funds) may affect the timing of such increases. For example, a GS employee in steps 1, 2, or 3 of the grade who is furloughed an aggregate of more than 2 workweeks during the waiting period would have his or her within-grade increase delayed by at least a full pay period. (See 5 CFR 531.406(b).)

May an employee take paid leave or other forms of paid time off (e.g., annual, sick, court, or military leave, leave for bone marrow or organ donor leave, credit hours earned, any compensatory time off earned, or time off awards) instead of taking administrative furlough time off?

A. No. During an administrative furlough, an employee may not substitute paid leave or other forms of paid time off for any hours or days designated as furlough time off.

Are employees who are injured while on furlough or LWOP eligible to receive workers' compensation?

A. No. Federal workers' compensation is paid to employees only if they are injured while performing their duties. Employees on furlough or LWOP are not in a duty status for this purpose. A Federal employee who is receiving workers' compensation payments under the FECA will continue to receive workers' compensation payments during a furlough and will continue to be charged LWOP.

How is an administrative furlough documented?

A. Agencies must prepare an SF-50, "Notification of Personnel Action," for each employee subject to furlough.

Can an employee earn compensatory time off for travel for official travel time during furlough hours?

A. No. Official travel would cancel the employee's furlough status. Official travel during previously designated furlough hours would be compensable under the normal pay rules. Since the official travel hours would already be compensable, the employee could not earn compensatory time off for travel for those hours. (Under 5 U.S.C. 5550b, an employee may earn compensatory time off for travel for a period of time only if that period of time is not otherwise compensable.)

## TSP Loan Repayment and the Administrative Furlough

As DOD commences its Administrative Furlough days, one matter of concern for employees is a TSP loan repayment. Employees may have TSP loans or may be considering taking out a TSP loan. In either instance, there are some things to consider regarding loan repayment during the Administrative Furlough.

During the Administrative Furlough, TSP Loan payments will be taken through payroll deduction. TSP loan payments are made this way now, through payroll deduction. Each payroll deduction is equal to the full payment amount. For example, if the TSP loan payment is \$150, then \$150 will be taken out each pay period.

There are no partial loan payments accepted through payroll deduction. This is of importance during the Administrative Furlough for employees with TSP loans. If an employee's pay is not enough to cover a full TSP loan payment, then no loan payment will be deducted from the employee's pay for that pay period. The effect of non-payment is default. A TSP loan in default can have unintended consequences.

Each calendar quarter, TSP conducts a sweep to identify loans that are in default by an amount equal to or greater than two and one half payments. Employees whose loans are identified during this process are notified and given until the end of the following calendar quarter to pay the missing amount or, if in an authorized nonpay status (e.g., furlough, leave without pay, or suspension) to provide documentation to the TSP. If the participant fails to pay the missing amount, or to provide documentation of his or her nonpay status, the loan will be closed and a taxable distribution of the unpaid balance, plus accrued interest, will be declared. Once a taxable distribution has been declared, a TSP loan will be considered closed, and an employee will not be permitted to repay it. This may have severe tax consequences for the employee. In addition, for 12 months following the date of the taxable distribution, the employee will not be eligible to apply for another loan.

An employee can avoid default through two primary options, partial loan prepayments and suspending payments. Partial loan prepayment can be made by submitting a check or money order directly to the TSP. The employee must be sure to write the TSP account number and loan number on the check or money order, and send it with a TSP Loan Payment Coupon (TSP -26) to the TSP address on the coupon. If this information is not provided, the payment will be returned. The Loan Payment Coupon is available from the TSP website ([www.tsp.gov](http://www.tsp.gov)), or by calling the TSP ThriftLine and pressing '3' to request it from a Participant Service Representative. Any payments received will be applied first

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to accrued interest and then to principal. The TSP will take into account any loan payments made during the nonpay period.

The second option to avoid default on a TSP loan is the suspension of loan payments. Loan payments can be suspended for up to one year for participants in a nonpay status. Once in an approved nonpay status, the Internal Revenue Code (IRC) allows suspension of TSP loan payments. Suspension of loan payments is not automatic. To suspend payments, the employee (or agency or service) must provide the TSP with proper documentation of nonpay status.

If the nonpay period exceeds one year, loan payments can no longer be suspended. The loan will be automatically reamortized at the end of the calendar quarter (March, June, September, or December) following the expiration of the one-year limit. Once the employee has received confirmation of the employee's reamortization, loan payments must be made directly to the TSP to avoid being in default. These loan payments are required even if the employee is still in a nonpay status.

### **“The Benefit of the Doubt”**

As the furlough continues the DOD employee benefits programs remain stable, and largely unaffected. Even in precarious times such as these, the DOD employee can give the federal benefits programs the “Benefit of the Doubt”.

Many DOD employees chose the Government for its stability and for the opportunity to serve their country. Nevertheless, employee benefits play an important role in many individuals' decision to serve, so naturally, employees want to ensure the continuation of their benefits coverage during the furlough.

The employee benefits programs includes: the Civil Service Retirement System (CSRS), Federal Employee Retirement System (FERS), Federal Employee Health Benefits (FEHB), Federal Spending Account (FSAFEDS), Federal Employee Group Life Insurance (FEGLI), Federal Employee Dental Vision Insurance Program (FEDVIP), Federal Long Term Care Insurance Program (FLTCIP), Thrift Savings Plan (TSP), as well as, Annual and Sick Leave Accrual.

In general, retirement annuity benefits for CSRS and FERS will not be affected during an administrative furlough. Your annuity computation is based on the amount of creditable service an employee performs and the employee's high 3 average salary. Since CSRS and FERS allow for credit of up to 6 months or more of nonpay status in a calendar year, the days you are furloughed will generally count toward the total amount of creditable service for both CSRS and FERS. (An exception would be if you accumulate a total of 6 months of nonpay status in a single calendar year due to other reasons and your furlough time causes you to exceed 6 months in a nonpay status.)

Likewise, your high 3 average salary will not be affected by your nonpay furlough time. This is because it is computed based on your annual rate of basic pay. For instance, if your annual rate of basic pay has been \$85,000 for the last three years and you are furloughed a period of 6 months during the calendar year, your high 3 salary for retirement purposes will be based on your rate of pay of \$85,000 for the furlough months rather than your actual earnings during that period. Although there is a loss of actual pay (or earnings) during

the furlough period, furlough does not result in a change in rate of basic pay and therefore does not affect your high 3 salary computation.

Next, your benefits coverage will continue under FEHB, FEGLI, FSAFEDS, FEDVIP and FLTCIP if your salary is sufficient to pay premium amounts.

For FEHB and FEGLI, the leave without pay rules are applied if your salary becomes insufficient and you cannot pay your premiums. Subsequently, you will be notified by your employing agency that your salary is insufficient to pay either your FEHB or FEGLI or both. Your HR Office will notify you by letter. It is important that you read this letter because it will explain your options.

Please note that you must respond to the letter regarding FEHB coverage within 31 days of receipt or your coverage will be terminated and cannot be reinstated until the next FEHB open season. It should also be noted; however, that employees subject to court order or administrative court order may not have coverage terminated and will have to incur a debt.

If your pay is insufficient to cover your FEHB premiums, you may opt to pay the premiums directly to your payroll office, incur a debt, or terminate coverage. If you choose to incur a debt, you must agree to pay the resulting debt in full, and make arrangements to have the debt collected from your pay once you return to a full pay status. If you terminate coverage, you have 60 days to reenroll or you must wait for the next Open Season to enroll, unless another qualifying life event occurs before the next open season.

In cases of insufficient funds for FEGLI coverage, you must also respond to the letter within 31 days of receipt, or your coverage will be terminated. If your pay is insufficient to cover your FEGLI premiums, you may also opt to: (1) terminate some or all FEGLI coverage. When pay again becomes sufficient to allow premium withholdings, your coverage will be reinstated; (2) pay the premiums directly to your payroll office; or, (3) terminate coverage. If you terminate some or all FEGLI coverage, when pay again becomes sufficient to allow premium withholdings, your coverage will be reinstated.

Then there's FSAFEDS. If an insufficient salary prevents the deduction of your FSAFEDS allotment, you will not be reimbursed for eligible health expenses. But for dependent care expenses you will continue to be reimbursed up to whatever balance is in your dependent care account, as long as the expenses incurred allowed you (or your spouse if married) to work, look for work or attend school full-time. Once you restart your allotments for health and dependent care expenses, the remaining allotments will be recalculated for the remaining pay periods to match your annual election amounts.

If an insufficient salary prevents you from paying your FEDVIP premium, BENEFEDS will collect premiums for twice the biweekly amount from the next full pay period to make up for the missed premium deduction. Since the impending administrative furlough is scheduled to last for more than two consecutive pay periods, continued insufficient funds may prompt BENEFEDS to mail a bill directly to you for payment so that you can continue coverage. As for FLTCIP, your eligible claims will continue to be paid. However, coverage will terminate if premiums are not paid. If no premium is received for two or fewer pay periods, future premium deductions will be adjusted, increasing by no more than \$50 per pay period to recover the missed premiums. If no premium is received for three consecutive pay periods you will be billed directly. If premiums are not received

within a 30 day grace period, FLTCIP will send you a termination letter.

As for the Thrift Savings Plan (TSP), its business as usual during an administrative furlough. Your TSP employee contributions are deducted from your pay. If you are currently making contributions based on a percentage of your basic pay, here's what happens: If you earn \$1,000 of basic pay every two-week pay period and you contribute 10% of it to the TSP, you'd have a \$100 TSP contribution every pay period.

If you are furloughed for 2 days per pay period, then your basic pay would be decreased to \$800 and as a result, your TSP contribution would decrease by an equal percentage so that your contribution would be \$80 per pay period. If you are currently making TSP contributions based on a dollar amount of your pay, that dollar amount will not automatically decrease with your reduction in pay. You may want to revisit whether that amount is still appropriate given the expected impact of the administrative furlough.

Now for Agency Contributions, you should keep in mind that any reduction in your basic pay will impact your agency contributions. Whether you are contributing a percentage of your pay or a specific dollar amount, your Agency Automatic (1%) and Agency Matching Contributions will decrease proportionally.

TSP Loans will remain an option during the administrative furlough since it's expected to last less than 30 days. Taking a TSP loan will allow you to borrow money from your account while you are still actively employed by the Federal Government. You repay your own TSP account for the amount of the loan (plus interest) and therefore you continue to accrue earnings on the money you borrowed after you pay it back.

But before you request a loan, you should know that loan payments are made by payroll deduction. If, because of the furlough, you don't earn enough per pay period for your agency to deduct the required loan payment, you will be responsible for keeping your loan payments up-to-date (so that you don't risk a taxable distribution). If you take a loan, you still may continue to contribute to your TSP account and, if eligible, receive Agency Matching Contributions.

On the flip side, if you already have an outstanding loan when you get furloughed, you need to make sure that you stay up-to-date on your loan payments. TSP will notify you if you missed 2 ½ loan payments and they will specify the amount and date that the amount is due. Failure to make the amount by the due date will result in TSP reporting the amount (including any accrued interest) to the Internal Revenue Service as a taxable distribution.

As a final option, you may opt to take a TSP hardship withdrawal, if the furlough will cause you a significant financial hardship. But before you consider a TSP hardship withdrawal, keep in mind that you will not be able to make any TSP contributions for 6 months after you receive your funds. You may withdraw only your contributions and the earnings associated with them.

The total amount withdrawn cannot exceed your financial hardship. In addition, you must pay income tax on the taxable portion of any withdrawal, and you may also be subject to a 10% early withdrawal penalty tax.

Last, is your leave accrual. When you are furloughed for part of a biweekly period, your leave accrual is usually not affected for that pay period. However, once you accumulate 80 hours of nonpay in a leave year, whether in one pay period or over the course of several

pay periods, you will not accrue annual or sick leave for that pay period. Once you reach 80 hours of non-pay, the accumulation of nonpay hours will begin again, but is zeroed out for the start of the next leave year.

## Financial Fitness

With the furlough everyone needs to consider ways to cut back, save money and reduce spending habits. The following tips will help you save and avoid unnecessary debt during the furlough period:

Tip No. 1: Sign up for an automatic savings plan so that your money is automatically moved from your paycheck to a savings account. Since the biggest barrier to saving is not being in the habit of saving, the best way to get in the habit is to pay yourself first.

Tip No. 2: Entertain yourself on a thrifty budget. For instance, try going to restaurants that offer buffets since the entrees usually cost less. Or if you go to the movies, skip the concession stand.

Tip No. 3: Turn off the television. One big way to save money is to watch less television. There are a lot of financial benefits to this: less exposure to guilt-inducing ads, more time to focus on other things in life, and less electrical use.

Tip No. 4: Use your credit card(s) wisely. Pay cash or use a debit card for everyday purchases.

Tip No. 5: Pay your bills on time to avoid late fees.

Tip No. 6: Sign up for frequent-shopper club cards. Your frequent-shopper club card will entitle you to special discounts and offers.

Tip No. 7: Keep track of your spending by writing down all of your purchases during the week. Getting a handle on your spending accomplishes two things: It helps you determine where you can cut back; and, helps maximize your savings efforts.

Tip No. 8: Use public transportation if you have access; it's less expensive and usually less stressful than driving.

Tip No. 9: Vacations, look for off-peak travel dates and destinations. Also take advantage of weekend or mid-week deals.

Tip No. 10: Watch out for impulse shopping. Whenever you're considering making an unnecessary purchase, wait thirty days and then ask yourself if you still want that item. Quite often, you'll find that the urge to buy has passed and you'll have saved yourself some money by simply waiting.



# CLASSIFICATION AND STAFFING

## MILITARY TECHNICIAN (DUAL STATUS) (32 USC § 709)

I. A military technician (dual status) is a Federal civilian employee who:

(a) is employed under section 709(b) of title 32; for the purpose of:

- (1) organizing, administering, instruction, or training of the National Guard;
- (2) the maintenance and repair of supplies issued to the National Guard;
- (3) the performance of the following additional duties to the extent that the performance of those duties does not interfere with the performance of the duties described by paragraphs (1) and (2)

(A) Support of operations or missions undertaken by the technician's unit at the request of the President or the Secretary of Defense.

(B) Support of Federal training operations or Federal training missions assigned in whole or in part to the technician's unit.

(C) Instructing or training in the United States or the Commonwealth of Puerto Rico

(b) is required as a condition of that employment to maintain membership in the Selected Reserve; and

(c) is assigned to a civilian position as a technician in the organizing, administering, instructing, or training of the Selected Reserve or in the maintenance and repair of supplies or equipment issued to the Selected Reserve or the armed forces.

2. A person employed under I(a) must meet each of the following requirements:

- (a) Be a military technician (dual status) as defined in section 10216(a) of title 10.
- (b) Be a member of the National Guard.
- (c) Hold the military grade specified by the Secretary concerned for that position.
- (d) While performing duties as a military technician (dual status), wear the uniform appropriate for the member's grade and component of the armed forces. Regulations pertaining to grooming standards and wearing of the military uniform will be complied with.

## STAFFING (RECRUITMENT/ PLACEMENT AND COMPENSATION)

Filling Positions by Temporary Appointment

Temporary appointments may be made under:

(1) Competitive procedures, such as an appointment under a competitive procedure or

(2) Noncompetitive: The person to be appointed must still meet all applicable qualification requirements for the position. In order to ensure the qualification requirements of the position are met a complete application packet needs to be received in the HRO a minimum of a pay period prior to desired appointment date. A complete noncompetitive temporary appointment packet consist of:

(a) Properly filled out SF52 with all approvals signatures/endorsements as required by the directorate in the chain of command

(b) SF181, Ethnicity and Race Identification form

(c) SF306, Declaration for Federal Employment form

(d) Current PQR/RIP

(e) Current resume

Complete packets are to be mailed to [ng.nv.nvarng.mbx.ngnv-hro-technician@mail.mil](mailto:ng.nv.nvarng.mbx.ngnv-hro-technician@mail.mil).

All incomplete temporary appointment packets will be returned without action.

For questions please call CMSgt Evelyn M. Anderson at (775) 887-7380.

## OFFICE CHANGES

Please join the NGNV-JI-HRO staff in extending a warm welcome to SPC Anthony Fosterackers! SPC Anthony Fosterackers is a Nevada Army National Guard member. He is the new Staffing Assistant as of 18 June 2013, contact number is 887-7255.

TSgt Anthony Rodriguez will move to the 887-7389 number as the Staffing Specialist.

## FAREWELLS

The NGNV-JI-HRO has said farewell to Mr. Erik Tedrowe. Mr. Tedrowe served as the Human Resources Specialist (Recruitment/ Placement & Compensation) since May 2010. Mr. Tedrowe was immediately charged with the implementation of USA Staffing bringing us into compliance with the USA Staffing Automation Initiative and its deployment for the Nevada National Guard. TSgt Anthony Rodriguez replaces Mr. Tedrowe as the Nevada National Guard, JI-HRO, Staffing Specialist.

**POC: CMSgt Evelyn M. Anderson**  
**(775) 887-7380**

**SGT Craig Kenison (Classification)**  
**(775) 886-7737**

**TSgt Tony Rodriguez (Staffing)**  
**(775) 887-7389**

## Training

The following training is scheduled in the upcoming months:

Pre-Retirement Training - OTAG, 17-19 September

Supervisor Training - OTAG, October, date TBA

Fiscal Law - OTAG, 12-15 November

**POC: Mr. Kevin Baugh,**  
**775-887-7381**